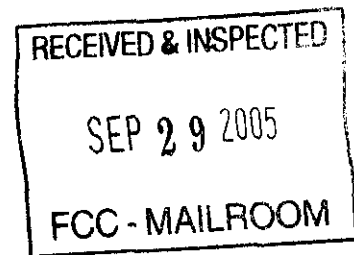




**STATE OF ALABAMA**  
ALABAMA PUBLIC SERVICE COMMISSION  
P.O. BOX 304260  
MONTGOMERY, ALABAMA 36130-4260



September 28, 2005

JIM SULLIVAN, PRESIDENT

JAN COOK, ASSOCIATE COMMISSIONER

GEORGE C. WALLACE, JR., ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.

SECRETARY

DOCKET FILE COPY ORIGINAL

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, Maryland 20743

Re: CC Docket No. 96-45 - U.S.F. Certification of Alabama's ETC's including all  
Rural and Non-Rural Carriers

Dear Ms. Dortch:

Pursuant to the requirements of 47 C.F.R. §54.313, the Alabama Public Service Commission (the "APSC") hereby certifies to the Federal Communications Commission (the "Commission") that all federal high-cost universal service funds flowing to Alabama Non-Rural local exchange carriers BellSouth Telecommunications, Inc. (BellSouth) and CenturyTel of Alabama, L.L.C. ("CenturyTel") for the year commencing January 1, 2006, and ending December 31, 2006, will be utilized in a manner consistent with §254(e) of the Telecommunications Act of 1996. As required by §254(e), BellSouth and CenturyTel will only utilize the federal high-cost support for which they are eligible in the year 2006 for the provision, maintenance and upgrading of facilities and services for which that support is intended.

The APSC also certifies that pursuant to the requirements of 47 C.F.R. §54.314, all of the federal universal service funding flowing to Alabama's Rural Carriers<sup>1</sup> for the year commencing January 1, 2006, and ending December 31, 2006, will be utilized in a manner consistent with §254(e) of the Telecommunications Act of 1996. As required by §254(e), Alabama's Rural Carriers will only utilize the federal support for which they are eligible in the year 2006 for the provision, maintenance and upgrading of facilities and services for which that support is intended.

The APSC also certifies that Alabama's two non-incumbent LEC wireline Eligible Telecommunications Carriers, Hayneville Fiber Transport, Inc., d/b/a Camellia Communications ("Camellia") and Budget Phone, Inc. ("Budget") will utilize all federal high cost universal service funding they receive in the year 2006 in a manner consistent with the provisions of § 254(e). More particularly, Camellia and Budget will only utilize the federal support they receive in 2006 for the maintenance and upgrading of facilities and services for which such support is intended. Given the foregoing findings, the Commission also certifies herein that Budget, which was only recently approved as an ETC in Alabama for the territory served by BellSouth, is eligible to receive high cost universal service funding for the remainder of 2005.

<sup>1</sup> Alabama's Rural Carriers herein certified are: ALLTEL Alabama, Inc. (250302); Ardmore Telephone Company, Inc. (254000); Blountsville Telephone Company, Inc. (250282); Brindlee Mountain Telephone Company (250283); Butler Telephone Company, Inc. (250284); Castleberry Telephone Company, Inc. (250285); Farmers Telephone Cooperative, Inc. (250290); Frontier Communications of Alabama, Inc. (250306); Frontier Communications of Lamar County, Inc. (250301); Frontier Communications of the South, Inc. (250318); Graceba Telephone Company, Inc. (250295); GTC, Inc., d/b/a GT Com (250294); Gulf Telephone Company, Inc. (250298); Hayneville Telephone Company, Inc. (250299); Hopper Telecommunications, Inc. (250300); Interstate Telephone Company, Inc. (250371); Millry Telephone Company, Inc. (250304); Mon-Cre Telephone Cooperative, Inc. (250305); Moundville Telephone Company, Inc. (250307); National Telephone Company, Inc. (250286); New Hope Telephone Cooperative, Inc. (250308); Oakman Telephone Company (250311); Otelco Telephone, LLC (250312); Peoples Telephone Company (250314); Pine Belt Telephone Company, Inc. (250315); Ragland Telephone Company, Inc. (250316); Roanoke Telephone Company, Inc. (250317); Union Springs Telephone Company, Inc. (250322); and Valley Telephone Company, Inc. (250324).

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Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
September 28, 2005  
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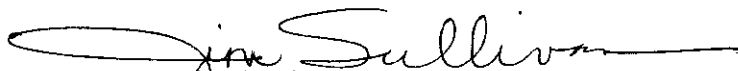
The APSC additionally certifies pursuant to 47 C.F.R. §54.316 that the rural residential rates of Alabama's non-rural Incumbent Local Exchange Carriers BellSouth and CenturyTel are reasonably comparable to urban rates nationwide. The APSC's conclusion in this regard is premised on the fact that BellSouth and CenturyTel's rural residential rates in Alabama are well below the established nationwide urban rate benchmark of \$34.21 as of July 1, 2005.

The representations and certifications herein provided are largely the product of informal proceedings conducted before the APSC in Docket 25980. A copy of the APSC's Order approving and certifying the proposals of BellSouth, CenturyTel, Alabama's Rural Carriers, Camellia, and Budget regarding their intended utilization of the federal high-cost universal service support for which they are eligible in the year 2006 is enclosed herein.

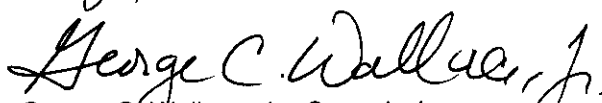
The APSC thanks the Commission for its diligence and cooperation in this matter. Please be advised that a copy of this notice is simultaneously being forwarded to the Universal Service Administrative Company. Please date stamp the extra copy of this filing and return it to the APSC in the enclosed, stamped, self-addressed envelope.

Sincerely,

ALABAMA PUBLIC SERVICE COMMISSION

  
Jim Sullivan, President

  
Jan Cook, Commissioner

  
George C. Wallace, Jr., Commissioner

JS/JC/GCWjr:eml

Enclosures

By FedEx Priority Overnight

c: Ms. Irene Flannery, Vice President  
High Cost and Low Income Division  
Universal Service Administrative Company  
2000 L Street N.W., Suite 200  
Washington, D.C. 20036